

STATE OF WASHINGTON

KARL HERRMANN
STATE INSURANCE COMMISSIONER
AND STATE FIRE MARSHAL



ORMAN VERTREES
CHIEF DEPUTY COMMISSIONER

OFFICE OF
INSURANCE COMMISSIONER

REPLY TO:
OLYMPIA OFFICE
INSURANCE BUILDING
OLYMPIA, WASHINGTON 98501
783-7300, AREA CODE 208

B U L L E T I N

No. 71-2

March 15, 1971

TO: ALL COMPANIES WRITING LIABILITY INSURANCE IN WASHINGTON STATE
FROM: KARL HERRMANN, Insurance Commissioner
SUBJECT: CERTIFICATES OF INSURANCE

It has come to the attention of this Department that certain insurance companies are executing "Certificates of Insurance" intended to verify coverage, but which in fact extend the coverage beyond that afforded by the insurance policy being certified.

Such forms are often furnished to the insurance companies by large corporate firms to simplify the latter's internal procedures or to set forth the required insurance limits which the firms will require of a contractor or subcontractor doing work for them, and the insurer may execute these forms without carefully reviewing their contents and effect. Some forms we have seen are so broad in their scope that they virtually guarantee a hold-harmless status against any kind of liability.


Issuance of "Certificates of Insurance" enlarging on authorized forms or which purport to extend coverage not afforded by the original insurance contract is contrary to the Insurance Code. (RCW 48.18.100, 48.18.480, 48.19.040, 48.30.140, and 48.30.170.)

Effective immediately, every company shall take whatever action is necessary to avoid issuing any forms of this nature without corresponding approved filings.

We strongly recommend that each Certificate of Insurance issued in this state contain the following or a similar statement:

This Certificate of Insurance does not in any way amend, extend, alter or vary the coverage afforded by the policy or policies referred to herein. It is simply a synopsis or summary of the actual insurance contract.

Companies should inform their personnel and agents of the contents of this bulletin.


KARL HERRMANN
Insurance Commissioner